GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:2582
ANSWERED ON:20.03.2002
RATE OF PENSION
CHANDRESH PATEL KORDIA

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether the Government have increased the rates of pension recently;

(b) if so, the increase made since the year 1995 till date, year-wise;

(c) the basis on which pension rates have been increased; and

(d) the criteria adopted and the rates followed to increase pension rates?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE MINIS PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND M OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE. (SMT.VASUNDHARA RAJE)

(a),(b),(c)&(d): A Statement is laid on the Table of the House.

STATEMENT IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 2582 FOR 20.3.2002

(a),(b),(c)&(d): - The pensionary benefits are revised based on the recommendations of Pay Commissions or any other authority set up by the Government for the purpose. The last revision in pension was made while implementing the recommendations of the Fifth Pay Commission. The Fifth Pay Commission recommended certain specific criteria for purposes of consolidation of pension and parity which were accepted by the Government and implemented from 1st January, 1996. For the purposes of consolidation the criteria recommended by Pay Commission and accepted by the Government was to add to basic pension, Dearness Relief, Interim Relief I, Interim Relief II and a Fitment Weightage of 40% of basic pensionPension revisions are not made on an annual basis. The quantum of pension gets enhanced on account of neutralization being made with respect to rise in cost of living.

This is done twice in a year by way of dearness relief at par with the serving employees.

The changes effected in pension as a result of implementation of Vth Pay Commission recommendations is as given below:

Sl.No.	Pension as applicable prior to 1.1.96	Pension as applicable on or after 1.1.96
1.	Ceiling on pension: Rs.4500 p.m.	Ceiling raised to Rs. 15,000 p.m. (50% of the highest pay)
2.	Commutation: 1/3rd of pension	Commutation increased to 40% of pension
3.	Dearness Relief	Neautralisation Pension 100% neutralisation against inflation.
	100% -	Upto Rs. 1750/- Complete relief to pensioners/family
	75% -	Rs.1751-3000/- pensioners on par with serving employees.
	65% -	Above Rs.3000/-
4.	Family Pension rates were in slabs of 30%, 20% and 15%	Uniform rate of 30% of pay for all categories subject to a minimum of Rs.1,275/-
5.	Family pension ceiling: Rs.1250	Ceiling raised to 30% of pay for all categories subject to a maximum of Rs.9,000/-